

APPENDIX B

ISSUES TO BE ADDRESSED IN STRANDED COSTS PROCEEDING DOCKET 2004-339

Phase I (File July 23, 2004):

1. Full Presentation of All Revenue and Cost Deferrals
2. Asset Sale Gain Account (“ASGA”) Activity and Projected Balance at February 2005
3. QF Cost Projections and Restructurings
 - a. Discussion of QF Restructurings
 - b. Discussion of Attempts to Restructure PPA Agreements
 - c. Pending Disputes and Litigation
 - d. QF Terminations and Expirations
 - e. Quantification of QF and other Contract Deliveries
 - f. Quantification of QF Costs
 - g. Placeholder re Entitlement Revenue
4. Stranded Costs Associated with Nuclear Facilities
 - a. Maine Yankee
 - b. Vermont Yankee
 - c. Yankee Atomic
 - d. Connecticut Yankee
5. HQ Tie Line Support Costs and Revenue
6. Determination of Gross Stranded Costs
7. Stranded Costs Revenue from Targeted Contracts and Programs
 - a. List of Active Contracts and Programs and Expected Contract Prices, Total Revenue, and kWh Purchases
 - b. Discussion of Changes to Contracts and Programs since Docket Nos. 2001-232 and 2002-770
8. QF Incentive Mechanism Applied to Restructured Contracts
9. List of Needed Deferrals Going Forward
10. Proposal for a Revenue Deferral Mechanism

Phase II (File October 8, 2004):

1. Update to All Stranded Cost Revenue Requirement Items Presented in Phase I
 - a. Deferrals
 - b. ASGA
 - c. Nuclear projections
 - d. QF cost projections
2. Stranded Cost Revenues from Targeted Contracts and Programs
3. Sales Forecast
4. Stranded Cost Class Allocation to Rate Classes and Design of Prices

Phase III (File January 7, 2005):

1. QF Entitlement Revenue
2. Any Other Needed Updates